



CITY COUNCIL AGENDA REPORT

MEETING DATE: MARCH 15, 2004

ITEM NUMBER: _____

SUBJECT: RELEASE OF BONDS IN CONNECTION WITH ENCROACHMENT PERMIT NO. PS00-00373 AT 3565 HARBOR BOULEVARD, COSTA MESA, CALIFORNIA

DATE: MARCH 4, 2004

FROM: PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

PRESENTATION BY: WILLIAM J. MORRIS, DIRECTOR OF PUBLIC SERVICES

FOR FURTHER INFORMATION CONTACT: ERNESTO MUNOZ, CITY ENGINEER, 714-754-5343

RECOMMENDATION:

Release the Performance Bond in the amount of \$34,000 and the Labor and Material Bond in the amount of \$17,000 (Certificate Numbers 389654) to HCI, Inc., 11201 Harrel Street, Mira Loma, California 91752.

BACKGROUND:

On June 23, 2000, the Public Services Department issued an encroachment permit to HCI, Inc. (Contractor), to install fiber optic cable within Harbor Boulevard. The encroachment permit required the contractor to restore the street pavement back to its original condition. The Performance and Labor and Material Bonds were received and accepted by the Public Services Department as a guarantee for the construction of the improvements.

ANALYSIS:

All conditions of the encroachment permit have been met and the work has been completed and accepted by the Public Services Department.

ALTERNATIVES CONSIDERED:

The alternative to this Council action would be to retain the Performance and Labor and Material Bonds. Costa Mesa Municipal Code Section 15-32 states, "The condition of said bond shall be that the applicant will perform the work authorized by any permit issued pursuant to this chapter in a good and workmanlike manner and to the satisfaction of the City Engineer." These conditions have been met; therefore, retention of the bonds would be in violation of the Municipal Code.

FISCAL REVIEW:

There is no fiscal impact to the City relative to this item.

LEGAL REVIEW:

There is no legal review required relative to this item.

CONCLUSION:

All of the required conditions of the encroachment permit have been completed by the Contractor. Therefore, staff recommends that the Performance Bond in the amount of \$34,000 and Labor and Material Bond in the amount of \$17,000 be released to HCI, Inc.

ERNESTO MUNOZ
City Engineer

WILLIAM J. MORRIS
Director of Public Services

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DISTRIBUTION: City Manager
 City Attorney
 City Engineer
 Director of Public Services
 Staff